

**DEPARTMENT OF STATE REVENUE**

99980094.LOF

**LETTER OF FINDINGS NUMBER: 98-0094 MVE**

**Motor Vehicle Excise Tax**

**For Tax Period: 12/31/93 Through 02/28/98**

**NOTICE:** Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Departments official position concerning a specific issue.

**ISSUE**

**I. Motor Vehicle Excise Tax - Imposition**

**Authority:** IC 9-13-2-78; IC 9-18-2-1

Taxpayer protests the imposition of motor vehicle excise tax on her 1991 Saab.

**STATEMENT OF FACTS**

Taxpayer was a resident of Indiana who owned and operated a law practice in Illinois throughout the assessment period. Taxpayer purchased a 1991 Saab in September, 1991, and titled, licensed and registered the vehicle in Illinois. The taxpayer depreciated the vehicle as a business asset for tax purposes. Once the vehicle was fully depreciated, the taxpayer declared the vehicle a personal asset and transferred title to Indiana. The Department assessed motor vehicle excise on the Saab from the date of its purchase. Taxpayer protests this assessment. Additional facts will be provided below as necessary.

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**DISCUSSION**

Pursuant to Indiana Code section 9-18-2-1, within sixty days of becoming an Indiana resident one must register any motor vehicle operated in Indiana which is subject to the motor vehicle excise tax. Indiana Code section 9-13-2-78 defines an Indiana resident.

Taxpayer was an Indiana resident throughout the assessment period. Taxpayer claims she properly titled and registered the vehicle in Illinois as the vehicle was a business asset and the business was located in Illinois. Taxpayer submits copies of the federal depreciation schedules for her sole proprietorship. Taxpayer claims the vehicle was used more than 50% for business purposes but concedes the vehicle was garaged in Indiana and used to commute from her home in Indiana to her business location in Illinois. The vehicle was not listed as a business vehicle for insurance purposes as the taxpayer states her insurance company did not require it.

The Department finds the vehicle was required to be registered in Indiana throughout the assessment period. Taxpayer was a resident of Indiana and the vehicle was operated in Indiana. The Department recognizes that the vehicle was depreciated for tax purposes as a business asset but finds persuasive that the vehicle was neither titled nor insured in the business name. Indiana Code sections 9-13-2-78 and 9-18-2-1 apply to taxpayer and require any motor vehicles owned and operated by taxpayer during the assessment period be registered in Indiana.

**FINDING**

Taxpayers protest is denied.